

GENERAL

1. British views on Soviet-Tito conflict--According to US Embassy London, the present estimate of the British Foreign Office concerning the Soviet-Tito conflict is that:
(a) the USSR is increasingly impatient with the continuance of the Tito regime despite the Soviet Union's estimate that time is on its side; (b) the Kremlin has been forced by the failure of its economic and political pressure against Tito to make new plans and will attempt to instigate armed rebellion against Tito's Government, stopping short, however, of direct action by the Soviet Army; (c) direct military action by the Soviet Army is possible at a later date, if this planned rebellion fails, unless the USSR becomes persuaded that the invasion of Yugoslavia would start a general war for which the Soviet Union is probably unprepared; and (d) although the Yugoslav economic situation is worse than previously estimated, only direct Soviet military action can overthrow Tito if he can survive the winter.
2. Views on proposed joint board for Trieste--US Ambassador Cannon in Belgrade expresses the view, regarding the difficulties of obtaining Yugoslav collaboration in a proposed joint US-British-Yugoslav consultative board in the Free Territory of Trieste, that the Yugoslavs are not prepared at present to offer genuine cooperation in such an enterprise and their participation in such a board is highly unlikely. Cannon believes that Yugoslavia would not grant the western powers an effective voice in the Yugoslav Zone without demanding "extravagant rights" in the Western Zone. He adds that Tito's present position with the Cominform and with his own party is such as to cause him to hesitate a long time before embarking on so "tangible an adventure of collaboration" with the West.

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